

401(k) PLAN

The 401(k) Plan provides participants with the opportunity to supplement income at retirement. Enrollment in the 401(k) Plan is optional.

WHO IS ELIGIBLE FOR THE 401(k) PLAN?

Active Employees

Each employee of Brookhaven Science Associates, LLC who was a participant in the Plan on December 31, 2001 remained eligible to participate in this Plan on January 1, 2002.

In addition, all full-time employees are eligible to participate in the 401(k) Plan on the first day of active employment. Employees who work on a part-time, temporary or irregular basis may participate on the earlier of January 1 or July 1 following completion of 1,000 Hours of Service during the 12 consecutive calendar month period beginning with the first day of active employment (or each successive anniversary thereof).

An Hour of Service is each hour for which you are entitled to be paid for the performance of duties, or for which you are entitled to be paid for vacation, holiday, illness, incapacity, layoff, jury duty, military duty or leave of absence. No more than 501 Hours of Service will be credited for any single continuous period during which you perform no duties, except in the case of certain absences due to military service.

Service shall include Continuous Service, if any, with Associated Universities, Inc., Battelle Memorial Institute, Research Foundation of the State University of New York or the State University of New York at Stony Brook immediately prior to a transfer of employment to Brookhaven Science Associates, LLC.

The following individuals are not eligible to participate in the Plan: (1) any leased employee, as defined by Internal Revenue Code Section 414(n); (2) any person holding solely a guest or visitor appointment to Brookhaven; (3) any person whose terms of employment are governed by a collective bargaining agreement whose retirement benefits are the subject of good faith bargaining, unless the collective bargaining agreement specifies that such individual is eligible to participate in the Plan; or (4) any person designated by the Employer as an independent contractor or who performs services pursuant to a written agreement with a third party.

ENROLLMENT

To enroll, you must complete enrollment forms which are available through the Benefits Office. By completing the forms, you will authorize contributions, as a percent of Base Salary, from your paycheck and the funds in which 401(k) Plan contributions will be invested.

401(k) PLAN COVERAGE

Benefits Provided

Participants may make contributions to the Plan through regular payroll reductions. Contributions are drawn from a participant's salary before taxes are calculated. This reduces taxable income, so a participant pays less in taxes now. This arrangement is called "salary reduction." Income on contributions is tax-deferred until withdrawn in the future.

The maximum contribution a participant can make to the Plan is 25% of Base Salary. Federal laws and regulations may further limit a participant's ability to contribute to this Plan. For example, during

2008, no more than \$230,000 of a participant's Base Salary may be used for determining contributions during a calendar year. Also, effective January 1, 2008, the maximum dollar amount a participant may currently contribute during a calendar year is the lesser of:

- \$15,500 for 2008 or
- 25% of Base Salary

These limits are subject to change based on changes in the laws.

Catch Up Contributions

The Plan allows catch up contributions as provided under the Internal Revenue Code. For participants who are or will become age 50 or over during calendar year 2008, the participant may contribute up to an additional \$5,000 during calendar year 2008. This dollar amount increases based on applicable laws. Participants must complete an enrollment form to elect this catch up provision. The dollar amount elected will remain in effect unless a participant completes another enrollment form indicating otherwise.

Plan Investments

There are numerous approved funds in which a participant can allocate the investment of his or her contributions. These funds are through TIAA-CREF, Fidelity Investment Services and the Vanguard Group. The funds available for investment are indicated at the end of the 401(k) Plan section.

The Plan is intended to constitute a plan described in Section 404(c) of the Employee Retirement Income Security Act of 1974 (ERISA), and Title 29 of the Code of Federal Regulations Section 2550.404c-1. This means that the fiduciaries of the Plan may be relieved of liability for any losses that are the direct and necessary results of your investment choices. Under these regulations, you have the right to receive additional information regarding the investment options provided under the Plan. The Plan Administrator is the Plan fiduciary responsible for providing this information, and the information may be obtained from the Benefits Office. The additional information includes:

- A description of the annual operating expenses of each investment fund which may reduce the rate of return on the fund, and the amount of expenses expressed as a percentage of the fund's average net assets.
- Copies of prospectuses, financial statements and reports, and other materials relating to the investment funds, to the extent such information is provided to the Plan.
- A list of funds, including the issuer, term and rate of return of all guaranteed investment contracts.
- Information concerning the value of shares or units in each available investment fund, as well as the past and current investment performance of such funds, net of expenses.
- Information concerning the value of shares or units of each fund held in your account.

In addition to this information, each mutual fund whose shares are registered with the US Securities and Exchange Commission must periodically publish a document called a "prospectus", which is a description of the fund, its management and investment philosophy, and certain risk factors involved in investing in the fund. The prospectus will also contain information about the prior investment performance and management expenses of the fund. Each of the investment funds currently available under the Plan is required to issue a prospectus, and you should receive and review the current prospectus before investing any part of your account in the fund. If you do not automatically receive a current prospectus, you can request one from the Benefits Office.

Allocating Contributions

When a participant first enrolls in the Plan, he or she will complete a form indicating how to allocate Plan contributions. The allocation can be changed at any time. If a participant wants to change the allocation within an investment company, he or she must contact the investment company directly. If

the participant wants to change investment companies or the allocation between companies, he or she must complete forms available in the Benefits Office.

Designating a Beneficiary

When a participant enrolls in the Plan, he or she will indicate one or more beneficiaries on the enrollment forms. For married participants, the spouse must be the beneficiary for at least 50% of the accumulation unless the spouse consents to the designation of someone else. The spouse's consent must be in writing and witnessed by a Plan representative or a notary public. In the event of a participant's death, retirement benefits will be paid to the designated beneficiary(ies). A beneficiary designation may be changed at any time, prior to beginning retirement benefits, by contacting the investment companies directly or the Benefits Office.

Changing the Amount Being Contributed

A participant may change the percentage he or she is contributing to this Plan once each calendar month. This includes a change from no contributions to starting contributions and vice versa. A participant can, however, cease contributions at any time. To make a change to the amount being contributed, a participant must complete a form available online through the Benefits Office website at www.bnl.gov/hr/Benefits/ and return it to Payroll.

Transferring Between Funds

Participants are permitted to transfer accumulations between funds and investment companies. To transfer accumulations within an investment company, the participant must contact the investment company directly. To transfer accumulations from one investment company to another, forms are available by contacting the investment companies directly or the Benefits Office.

Rollover Contributions

An employee who is eligible to participate in the 401(k) Plan (including employees who have not yet satisfied the Plan's service requirements for eligibility) may contribute to the Plan as a rollover any qualified rollover distribution payable to the employee from any other qualified plan, 403(a) or 403(b) Plan, 457 Plan or individual retirement account. However, the rollover amount cannot contain any after-tax contributions, even if the employee's prior plan allowed for after-tax contributions.

Vesting

Vesting is the process by which a participant earns the right to the value of the contributions in his or her account. Under the 401(k) Plan, participants are immediately vested in the Plan benefits.

Loans

Loans are permitted from a participant's TIAA-CREF accumulation in this Plan. When a participant begins a loan, a portion of his or her accumulation will be set aside as security for the loan but will continue to earn income while the loan is being repaid.

The minimum loan amount available is \$1,000. The maximum amount is the least of the following:

- \$50,000 or
- 45% of the participant's TIAA-CREF accumulation or
- 90% of the participant's TIAA accumulation.

If a participant has Plan accumulations in CREF, Fidelity or Vanguard, he or she may transfer all or part of the accumulation to TIAA to increase the available loan amount.

A participant may have more than one outstanding loan. If a participant applies for a second loan, the amount available may be effected by the outstanding loan.

Loan repayments may be made over a period of one to five years with payments due monthly or quarterly. A ten year repayment option is available if the loan is being used to purchase a principal residence.

Participants who want to pursue a loan must contact TIAA-CREF directly for a loan application and additional information on loan provisions including the interest rate, billing, and default.

Based on Federal law, married participants who request a loan must provide their spouse's written consent for such benefit.

Withdrawals

Withdrawals during employment are permitted from this Plan if any of the following events occur:

- The participant wishes to withdraw any rollover contributions that he or she made to the Plan;
- The participant attains age 59½; or
- The participant incurs a financial hardship.

For a participant to incur a financial hardship, the participant must have an immediate and heavy financial need that meets one of the following hardship criteria:

- Purchase of the participant's principal residence.
- Prevention of foreclosure on or eviction from the participant's principal residence.
- Payment of medical expenses which are not reimbursed through insurance for the participant or his or her spouse or dependents.
- Payment of tuition, related educational expenses, and/or room and board for post-secondary education for the participant or his or her spouse or dependents for the next twelve months.
- Payment of funeral expenses for a member of the participant's family.
- Expenses for the repair of damage to the participant's principal residence that would qualify for a casualty deduction under Code Section 165.

A withdrawal for hardship reasons is only available if the financial need cannot be reasonably relieved through other sources.

The hardship withdrawal cannot exceed the amount required to satisfy the immediate hardship and may only include the participant's Plan contributions, not income earned. A participant who receives a withdrawal for hardship reasons will be required to discontinue Plan contributions for six months. To apply for a hardship withdrawal, participants must contact the Fiscal Officer.

In addition, a withdrawal of rollover contributions may be made at any time. If a participant withdraws rollover contributions before age 59½, Federal early distribution penalties may apply.

Based on Federal law, married participants who request a withdrawal must provide their spouse's written consent for such benefit.

For information on withdrawals, other than for financial hardship, and the receipt of retirement income see the RETIREMENT OPTIONS section.

Statements

Participants will receive quarterly account statements from each of the investment companies in which they have invested Plan contributions. The statements will indicate the amount of accumulations in each of the funds in which the participant has invested.

RETIREMENT OPTIONS

If a participant retires, becomes disabled and receives Long Term Disability Plan benefits for at

least 24 months, terminates employment, or attains age 59½, he or she may begin receiving retirement benefits. Participants have the benefit options indicated below for the payment of benefits. Payment of retirement benefits, other than the Cash Withdrawal option, must be made through TIAA-CREF. This means that in order to establish the payment of benefits other than through the Cash Withdrawal option, the participant must transfer accumulations, if any, in Fidelity Investment Services, and the Vanguard Group to TIAA-CREF before benefit payments can begin. Other than for the purpose of the Cash Withdrawal and Retirement Transition Benefit options indicated below, retirement benefits will be provided in the form of an annuity. An annuity, for the purpose of this Plan, is a series of regular payments.

In any case where spousal consent is required to elect a form of benefit, the consent form must be signed before a Plan representative or a notary public.

To apply for benefits, contact TIAA-CREF at (800) 842-2776, or Fidelity Investment Services at (800) 343-0860, or the Vanguard Group at (800) 523-1188.

Cash Withdrawal

A participant may elect, as a retirement benefit, a cash withdrawal of up to 100% of his or her total accumulation in the 401(k) Plan. Based on Federal law, participants who request a cash withdrawal must provide their spouse's written consent for such withdrawal, unless the withdrawal is \$5,000 or less.

One-Life Annuity Option

The most basic annuity form is the one-life annuity. This is the normal form of benefits for participants who are not married when distributions begin. It pays income to the participant for his or her lifetime, and the income ceases at death. A participant may elect a guaranteed period of either 10, 15, or 20 years to be added to this option, but restrictions may apply. If the participant dies during the period, the designated beneficiary will continue to receive the full payments until the guaranteed period ends. Based on Federal law, married participants who request a one-life annuity option must provide their spouse's written consent for such benefit.

Two-Life Annuity Option

A two-life annuity provides an income for life for two people. This is the normal form of benefits for participants who are married when distributions begin. Neither the participant nor his or her designated second annuitant can outlive the income. The amount continuing to the survivor after the participant's death depends on the option selected. A participant may elect a guaranteed period of either 10, 15, or 20 years to be added to any of the two-life annuity options indicated below, but restrictions may apply. When a guaranteed period is added to a two-life annuity, the guarantee provides that the benefit will continue to a designated beneficiary until the end of such period if both the participant and the second annuitant die within the guaranteed period. Based on Federal law, married participants who request a two-life annuity option must provide their spouse's written consent for such benefit, if the designated second annuitant is not the spouse.

A two-life annuity with full benefit to survivor means that there is no benefit reduction after the death of either the participant or the second annuitant. If a guaranteed period is added to this option and both the participant and the second annuitant die during the period, the designated beneficiary will continue to receive the full benefit until the guaranteed period ends.

A two-life annuity with half benefit to second annuitant means that if the participant dies first, the benefit to the second annuitant will continue at half of the amount it would otherwise be. If the second annuitant dies first, the income to the participant does not change. If a guaranteed period is added to this option and both the participant and the second annuitant die during the period, the designated beneficiary will receive half of the benefit until the guaranteed period ends.

A two-life annuity with two-thirds benefit to survivor means that when either the participant or the second annuitant dies, the benefit is reduced to two-thirds of the amount it would otherwise be for the survivor. This is the only option where the benefit of the participant reduces if the second

annuitant dies first. If a guaranteed period is added to this option and both the participant and the second annuitant die during the period, the designated beneficiary will receive the two-thirds benefit until the guaranteed period ends.

A two-life annuity with three-quarters benefit to second annuitant means that if the participant dies first, the benefit to the second annuitant will continue at three-quarters of the amount it would otherwise be. If the second annuitant dies first, the income to the participant does not change. If a guaranteed period is added to this option and both the participant and the second annuitant die during the period, the designated beneficiary will receive three-quarters of the benefit until the guaranteed period ends.

Fixed Period Annuity Option

For any accumulation that a participant has in TIAA-CREF, he or she may elect the fixed period annuity option which provides retirement benefits over a number of years based on the participant's election. The number of years available for benefits is between 2 and 30 and depends on the participant's age. During that period, all of the participant's accumulation will be returned to him or her. When the fixed period is over, benefits cease. If a participant dies during the period, the designated beneficiary may elect to continue receiving the remainder of the benefit payments or a lump sum payment. Based on Federal law, married participants who request a fixed period annuity option must provide their spouse's written consent for such benefit.

Minimum Distribution Option

For participants who have terminated employment, have not yet begun receiving retirement benefits, and who are age 70½, Federal laws require that a minimum retirement distribution must begin by April 1 of the year after reaching age 70½. Under this option, payments are set at the minimum level required by law and can continue until (a) the total accumulation has been fully paid out to the participant or if he or she dies before payments are completed, to a designated beneficiary or (b) such time that the participant decides to begin an annuity payment option.

Rollover Distributions

When you terminate your employment, you may also elect to have your account balances directly rolled over to an individual retirement account or another qualified retirement Plan, including a Section 403(b) annuity or governmental Section 457 plan. To initiate a rollover distribution, contact the Trustee where your accounts are invested or contact the Benefits Office.

REPURCHASE OF BENEFITS

Participants who have terminated employment before the fifth anniversary of becoming a participant will receive the balance of their total accumulation (if less than \$5,000) in a lump sum payment. Spousal consent is not required for lump sum payments of \$5,000 or less. A lump sum payment from TIAA-CREF will be based on the terms of such annuity contract.

You must request a repurchase of your benefits through the Trustee or the Benefits Office. If you repurchase benefits before age 55, Federal early distribution penalties may apply.

PRE-RETIREMENT DEATH BENEFITS

If a participant dies before establishing an annuity option, the value of his or her total accumulation will be paid to the designated beneficiary. The beneficiary may elect to receive either a lump sum payment or one of the annuity options indicated above. The participant's spouse is automatically the beneficiary for 50% of the total accumulation unless the spouse has consented to a waiver of such benefit. The pre-retirement death benefit may be waived by the participant and his or her spouse beginning on the first day of the Plan Year during which the participant attains age 35 and ending on the earlier of

(a) the date of the participant's death or (b) the date annuity benefits begin. A waiver may be revoked during that period only if the participant also revokes his or her election. A waiver is not available for participants under age 35, unless the participant terminates employment.

INVESTMENT COMPANY CONTACT INFORMATION

Investment Companies	Telephone Numbers	Website
TIAA-CREF	(800) 842-2776	www.tiaa-cref.org
Fidelity Investment Services	(800) 343-0860	www.fidelity.com/non-profits
The Vanguard Group	(800) 523-1188	www.vanguard.com

QUESTIONS ABOUT THE PLAN

Questions about the 401(k) Plan may be directed to the Benefits Office at (631) 344-7516 or the investment companies directly.

MISCELLANEOUS

Base Salary

Base Salary is the participant's Base Salary which is reflected on the participant's W-2 statement including vacation pay, overtime payments, shift premiums and severance pay at termination of employment before exercise of any salary reduction option. Reimbursements or other expense allowances, fringe benefits (cash and noncash), moving expenses, other welfare benefits, and any other forms of compensation are not included in Base Salary. For union employees, Base Salary is based on the terms of the union contract.

Discontinuation of Contributions

Contributions to a participant's accumulation will cease on the earlier of the date he or she (a) terminates employment, (b) begins receiving benefits under the Long Term Disability Plan, (c) elects to discontinue contributions, or (d) is no longer eligible for coverage.

Fiscal Officer

The Fiscal Officer can be reached at (631) 344-8000 and at the address of the Plan Sponsor listed in the General Information section.

General Information

Information regarding the Plan identification number, Plan year, Plan funding, type of Plan, Plan sponsor, Plan administrator, agent for legal process, your rights under ERISA and prudent actions by Plan fiduciaries can be found in the General Information section of this booklet.

Leave of Absence

Contributions cannot be made to the 401(k) Plan during an approved Leave of Absence.

If you return to work from an approved Leave of Absence for military duty, you may contribute an amount not greater than that which you were allowed to contribute had you not been on a Leave of Absence.

Non-Alienation of Benefits

Benefits under this Plan may not be subject to alienation, encumbrance, the claims of creditors, or

legal process. Benefits may not be transferred, assigned, or alienated. The Plan will, however, comply with any judgment, decree, or order which established the rights of another person to all or a portion of a participant's benefits under this Plan to the extent that it is a Qualified Domestic Relations Order under Internal Revenue Code section 414(p).

Participants Receiving Long Term Disability Benefits

Contributions to this Plan cease when a participant qualifies for Long Term Disability Plan benefits.

Plan Administrator

The Plan administrator is the Retirement Committee and can be reached at (631) 344-2881 and at the address of the Plan Sponsor listed in the General Information section.

Qualified Domestic Relations Order

Information on the administration of a Qualified Domestic Relations Order can be obtained at no charge from the Benefits Office.

Type of Plan

This Plan is a defined contribution Plan with a 401(k) deferral feature. The amount of benefits that you receive is based on the balance of your accounts in the Plan. Because the Plan is an individual account Plan, the benefits provided by the Plan are not insured by the Pension Benefit Guaranty Corporation.

AMENDMENT OR TERMINATION OF THE PLAN

BSA reserves the right to amend or terminate this Plan at any time and for any reason. If the Plan is terminated for any reason, the assets in the Plan will be used for the exclusive benefit of Plan participants and their beneficiaries. If you are affected by a termination of the Plan, you will be 100% vested in your account balances.

Brookhaven Science Associates

Funds Available for Investment

TIAA-CREF

TIAA Traditional Annuity
TIAA Real Estate Account
CREF Money Market Account
CREF Bond Market Account
CREF Inflation-Linked Bond Account
CREF Social Choice Account
CREF Equity Index Account
CREF Global Equities Account
CREF Growth Account
CREF Stock Account
TIAA-CREF Real Estate Securities
TIAA-CREF Growth & Income
TIAA-CREF S&P 500 Index
TIAA-CREF Social Choice Equity
TIAA-CREF Large-Cap Value
TIAA-CREF Mid-Cap Value
TIAA-CREF Mid-Cap Growth
TIAA-CREF Small-Cap Equity
TIAA-CREF International Equity

Retirement Gov't Money Market Portfolio
Retirement Money Market Portfolio
Intermediate Bond Fund
Puritan Fund
Equity-Income Fund
Magellan Fund
Diversified International Fund
Overseas Fund
Freedom Income Fund
Freedom 2000 Fund
Freedom 2010 Fund
Freedom 2020 Fund
Freedom 2030 Fund
Freedom 2040 Fund

The Vanguard Group

Prime Money Market Fund
Federal Money Market Fund
Wellington Fund
Wellesley Income Fund
500 Index Fund
Windsor Fund
Explorer Fund
Total International Stock Index Fund
International Growth Fund

Fidelity Investment Services

